
State of Maryland

CAPITAL PROGRAM HIGHLIGHTS

The County Executive and the County Council are actively seeking to increase the State's support of County capital projects.

Currently, the State of Maryland participates in and supports the County's capital program in several ways. Funds to support the capital needs of agencies such as the public schools and community college are authorized in legislation. Funds to meet special needs are requested as they are needed and authorized by the State legislature and/or the State Board of Public Works. State funding for capital projects for County residents is organized into three primary categories:

- State aid provided to local jurisdictions for County-operated facilities;
- State aid provided to County nonprofit community entities; and
- Construction of and improvements to State-owned and operated assets within the County.

Once projects are approved, project totals are published, and they can be identified as follows:

- The County's Capital Improvements Program (CIP) lists each project for which State aid is expected. These funds are shown in the funding schedule of each Project Description Form (PDF).
- The State's contribution to roads and mass transit projects is discussed in the County CIP, Transportation section.
- The State School Construction program is discussed in the County CIP, Public Schools section.
- State support for Montgomery College is highlighted in the County CIP, Montgomery College section.
- State aid for construction to be provided to nonprofit community entities is displayed in one of two areas. If the County is also providing some financial support to the project, the State funds will appear on the PDF for that project in the CIP. Alternatively, the project will be listed in the County Operating Budget and PSP if other County support is provided. When there is no County financial participation, the project will only be listed in the State budget.
- Improvements to State-owned and operated assets within Montgomery County may be included in the County CIP if the County provides some support to the project. If the County does not contribute, even though a project may benefit the local taxpayer, it will only appear in State budget documents.

The State capital projects and County projects with State support (excluding transportation projects) are funded primarily through the issuance of general obligation bonds. The State has maintained a AAA rating for many years. The AAA is the highest bond rating available and has the lowest cost to the taxpayer. In recent years, the State has allowed certain categories of projects to be funded from General Fund revenues (i.e., capital projects costing less than \$100,000, equipment items, and planning funds). This was done in order to limit debt-funded capital expenditures.

State transportation projects are funded through a combination of State and Federal funds. State sources such as Motor Vehicle Fuel Taxes, Motor Vehicle Titling Taxes, Motor Vehicle Registration, Corporate Income Tax, and bond proceeds account for most of the funds available for State-funded road projects. If Federal funds have been awarded, in order to avoid a project delay the State will advance fund construction with State money.

County Priorities

The County has identified the following priorities for the Capital Program in the forthcoming session of the General Assembly: continued levels of capital investment from the State for our public schools, Montgomery College, the Strathmore Hall Arts Center, and land acquisition for parks.

NEW AND ONGOING STATE AND COUNTY PROJECTS

Education

Public Schools

The State provided \$116.5 million for school construction projects in its FY04 budget, of which approximately \$10.6 million was allocated to Montgomery County for school construction and renovation. The support given by the State has been critical to the County's efforts to meet the program and facility needs of its students and communities by providing new and modernized schools.

The Executive recommends assuming a total of \$148 million in State support for Montgomery County Public Schools (MCPS) for the FY05-10 CIP. This request will support the Board of Education's funding priorities for critical school capacity and capital maintenance.

The State has advised that its level of funding in FY05 for school construction for all Maryland counties will decline compared to previous years because of fiscal constraints.

Nevertheless, the Executive recommends that the County continue to vigorously pursue State aid for all eligible projects.

Montgomery College

In FY04, no State funds were requested or awarded to the College. In FY05, the County Executive recommends that the State appropriate just over \$11.0 million in State funds to continue support for construction of the Takoma Park Campus expansion and roof repair on all three campuses.

The County Executive believes that the Takoma Park Campus expansion has significant potential for addressing enrollment needs and contributing to the County's revitalization initiative in South Silver Spring. For additional information on these programs, see the Montgomery College section of the CIP.

State Road Program

In addition to the County Roads, Bridges, Traffic Improvements, and Public Works programs included in the County CIP, the State's Consolidated Transportation Program (CTP) represents a significant investment in improving and maintaining the roadway network in Montgomery County. The State's Draft Consolidated Transportation Program is released each October. Final action on the Statewide CTP is taken by the State Department of Transportation.

The County Executive will seek additional State funding as part of his congestion relief initiative for intersection and interchange improvements and other State efforts to alleviate traffic congestion problems in the County, including the Corridor Cities Transitway, the InterCounty Connector, and the Purple Line. For more information on State support for the County Transportation program, see the Transportation section of the CIP or the Consolidated Transportation Program.

Economic Development

Silver Spring Urban Redevelopment Project

The two remaining projects that comprise the Silver Spring Redevelopment program for FY05 include: the Silver Spring Redevelopment Program and the Silver Spring Civic Building. The cost and funding for the Silver Spring Urban Renewal Program currently includes a total of \$36.1 million in State grants.

The Silver Spring Transit Center will provide a transportation hub with additional transportation options for local residents and those who work in the downtown Silver Spring area.

The State assisted in the acquisition of a site in Germantown where a business incubator will be sited. Planning is ongoing.

For more information on these projects, please see the General Government: Economic Development and Transportation: Mass Transit sections of the CIP.

Culture and Recreation

The Strathmore Hall Arts Center is funded in conjunction with the State. The State has also agreed to provide partial funding for the improvements at Glen Echo Park. The State also provides Program Open Space funding for the design, construction, and renovation of parks, park facilities, trails and the acquisition and development of local and non-local parks. The State provided \$700,000 in State funds for the Rockville Business Resource Center located in the Rockville Library.

Public Safety

The Montgomery County Correctional Facility (MCCF) has been completed and became operational in March 2003. The State provided \$853,000 for facility renovation of the Montgomery County Detention Center (MCDC) located on Seven Locks Road in Rockville.

Other State-Funded Projects

A total of \$52.2 million was funded in FY04 in various State Bond Bills for non-County government operated groups, nonprofits, and agencies located within Montgomery County. Most of these projects did not require County funds, although some County support was appropriated in the Montgomery County FY04 Operating Budget and PSP. Additional projects are being evaluated for a series of State bond bills for the next legislative session.